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**UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA  
WESTERN DIVISION**

**PAN DIGITAL NETWORK LIMITED,**  
a United Kingdom limited company,

Plaintiff,

v.

**2069913 ONTARIO LIMITED,** an  
Ontario, Canada business  
corporation, **CHRISTOPHER  
FAGON,** an individual, **ANDREW  
BURROWS-TROTMAN,** an  
individual, **CRISTAUDO HOLDINGS  
LLC,** a New York limited liability  
company, **FRANK CRISTAUDO,** an  
individual, and **JOHN DOES 1-10,**

Defendants.

Case No. 2:23-cv-00584

**COMPLAINT**

**DEMAND FOR JURY TRIAL**

1 Plaintiff, Pan Digital Network Limited, by and through its undersigned  
2 counsel, alleges as follows.

### 3 INTRODUCTION

4 1. Plaintiff Pan Digital Network Limited assists clients in finding  
5 credit/debit card processing solutions.

6 2. Many of Plaintiff's clients operate in high-risk industries in which it  
7 is often difficult to find credit/debit card processing solutions.

8 3. Plaintiff functions as an intermediary between its merchant clients  
9 and banks that have agreements with credit card issuers, and which are  
10 willing to work with merchants in high-risk industries.

11 4. Plaintiff connects its clients with payment service providers, which  
12 in turn have relationships with banks. Bona fide payment service providers  
13 are designated by banks to solicit credit/debit card processing customers and  
14 to assist those customers in transmitting credit/debit card transaction data to  
15 the banks.

16 5. In July 2022, Plaintiff entered into a written contract with payment  
17 service provider Defendant 2069913 Ontario Limited *dba* AzulPay  
18 ("AzulPay"). AzulPay agreed to provide credit/debit card processing services  
19 to Plaintiff.

20 6. Pursuant to the contract, Plaintiff submitted credit/debit card  
21 transactions to AzulPay, and AzulPay was supposed to submit those  
22 transactions to one or more banks. In turn, the banks were supposed to settle  
23 the credit card transactions and send the funds to AzulPay. AzulPay was then  
24 supposed to send the funds—less AzulPay's commission—to Plaintiff.

25 7. Unfortunately, AzulPay was part of a conspiracy to defraud  
26 Plaintiff and others and to steal their money.

27 8. After making some initial payments to Plaintiff and encouraging  
28 Plaintiff to send a greater volume of credit/debit card transactions to AzulPay,

1 AzulPay stopped making payments to Plaintiff altogether while owing Plaintiff  
2 over a million dollars in settled credit/debit card transactions.

3 9. Shortly after AzulPay stopped making payments, AzulPay  
4 stopped responding to Plaintiff's communications, and its website  
5 disappeared.

6 10. Defendant Christopher Fagon ("Fagon") served as the hub of the  
7 conspiracy to defraud and to steal from Plaintiff. The remaining Defendants  
8 provided essential support for Fagon's scheme.

9 11. This is not the first time Fagon has been involved in money  
10 transmission crimes. In May 2016, Christopher Fagon pled guilty to the federal  
11 crimes of laundering monetary instruments and operating an unlicensed  
12 money transmitting business.

### 13 JURISDICTION & VENUE

14 12. This Court has subject matter jurisdiction under 28 U.S.C. §1331  
15 over Plaintiff's claims arising under the laws of the United States. This Court  
16 has supplemental jurisdiction over Plaintiff's state law claims under 28 U.S.C.  
17 §1367 because those claims are so related to Plaintiff's federal claims that  
18 they form part of the same case or controversy under Article III of the United  
19 States Constitution.

20 13. This Court is a proper venue under 28 U.S.C. §1391 because a  
21 substantial part of the events that gave rise to Plaintiff's claims occurred in  
22 this judicial district.

23 14. On information and belief, this Court has personal jurisdiction over  
24 Defendant 2069913 Ontario Limited because its principal place of business is  
25 in California.

26 15. On information and belief, this Court has personal jurisdiction over  
27 Defendants Christopher Fagon and Andrews Burrows-Trotman because they  
28 reside in California.

## PARTIES

1 amend this Complaint to identify the true names and capacities of John Does  
2 1–10 when they are ascertained.

3 24. On information and belief, one or more of Defendants John Does  
4 1–10 was an employee, agent, or representative of the other Defendants, and  
5 was with respect to all matters referred to herein, acting within the purpose  
6 and scope of such employment, agency, or representation. On information  
7 and belief, each Defendant has ratified and/or approved each of the acts and  
8 omissions alleged herein.

### 9 **FACTUAL ALLEGATIONS**

#### 10 **A. Credit/Debit Card Processing and Plaintiff's Business**

11 25. The process of paying by a credit or debit card involves multiple  
12 steps and multiple actors.

13 26. First, the cardholder presents their credit/debit card to a merchant  
14 in exchange for goods or services. The presentment may occur at a credit  
15 card terminal in a brick-and-mortar store, on an e-commerce website, or in a  
16 mobile application.

17 27. Information regarding the proposed credit/debit card transaction  
18 is instantaneously communicated to the bank that issued the credit/debit card  
19 to the cardholder (i.e., the card-issuing bank). Once the card-issuing bank  
20 approves the transaction, the transaction data is recorded by the merchant.

21 28. For payment of a credit/debit card transaction (i.e., settlement),  
22 the merchant sends the authorized transaction data to a bank that has a  
23 relationship with the credit/debit card associations, like Visa and Mastercard.  
24 This bank is often referred to as the “acquiring bank.” Typically, the  
25 transaction data is sent to the acquiring bank in batches.

26 29. The acquiring bank sends the transaction data to the relevant card  
27 association (i.e., Visa transactions are separated out and sent to Visa). The  
28 card association then sends the transaction data to the relevant card-issuing



1 bank. The card-issuing bank charges the cardholder's account for the amount  
2 of the transaction and transfers the funds to the acquiring bank, less  
3 interchange fees.

4 30. The acquiring bank then deposits the funds in the merchant's  
5 account less any fees.

6 31. Acquiring banks may contract with various types of service  
7 providers to assist in this process.

8 32. For example, a Merchant Service Provider ("MSP") or  
9 Independent Sales Organization ("ISO") (collectively, a "Payment Service  
10 Provider" or "PSP") is an entity that provides credit/debit card services to  
11 merchants based on an agreement between the PSP and an acquiring bank.  
12 A PSP's services may include merchant solicitation, point-of-transaction  
13 acceptance device installation and service, and transaction receipt data  
14 capture and transmission.

15 33. Under the card association rules, PSPs are prohibited from: a)  
16 contracting directly with the merchant without the acquiring bank as a party to  
17 the contract, b) accessing the merchant's funds, even when they provide  
18 technological assistance with the transfer of approved transactions, and c)  
19 subcontracting their responsibilities to other entities.

20 34. Plaintiff assists merchants that operate in high-risk industries with  
21 finding credit/debit card processing solutions.

22 35. Specifically, Plaintiff assists its clients by connecting them with  
23 PSPs that have contracted with banks that are willing to accept credit/debit  
24 card transactions from merchants operating in high-risk industries.

25 36. In turn, the PSPs help form relationships between Plaintiff's clients  
26 and one or more acquiring banks.

27 37. In exchange, both the PSP and Plaintiff receive a commission  
28 paid by Plaintiff's clients.



**B. Fagon's Criminal History**

38. On November 13, 2014, Defendant Christopher Fagon was indicted with multiple counts of federal money laundering.

39. The U.S. Attorney alleged that Fagon was part of a money laundering conspiracy, in which he conspired to transport, transmit, and transfer money derived from the sale of controlled substances.

40. More specifically, the U.S. Attorney alleged that Fagon served as a courier who picked up and delivered bulk U.S. currency and facilitated the transfer of this money to drug traffickers in Mexico.

41. The U.S. Attorney alleged that Fagon and his co-conspirators used coded language to effectuate the money laundering.

42. On May 24, 2016, Fagon pled guilty to the laundering of monetary instruments/engaging in monetary transactions in property derived from specified unlawful activity in violation of 18 U.S.C. §1956(h) and operating an unlicensed money transmitting business in violation of 18 U.S.C. §1960.

**C. Defendants' Conspiracy**

43. On information and belief, Defendant Fagon came up with a plan to defraud merchants and merchant service providers.

44. On information and belief, Fagon was at the center of the scheme and engaged the other Defendants to help with different aspects of the scheme.

45. On information and belief, the other Defendants agreed to participate in Fagon's plan and helped carry it out.

46. On information and belief, Defendants sought to gain the trust of merchants and merchant service providers by marketing AzulPay as a legitimate PSP that could assist merchants in high-risk industries.

47. In fact, AzulPay was not a registered PSP with Visa or Mastercard; such status would have required a vetting process and acquiring

1 bank sponsorship.

2 48. On information and belief, Defendants created a fully-interactive  
3 website for AzulPay and used that website to market AzulPay to merchants  
4 and merchant service providers (collectively, “AzulPay’s Merchant Clients”).

5 49. Specifically, on April 22, 2022, one or more Defendants registered  
6 the domain name <azulpay.co>. Shortly thereafter, one or more Defendants  
7 created a fully-interactive website located at <azulpay.co> (the “AzulPay  
8 Website”).

9 50. The AzulPay Website advertised that AzulPay provided  
10 credit/debit card processing services.

11 51. On information and belief, Defendants agreed and planned to use  
12 the AzulPay Website to lure AzulPay’s Merchant Clients into entering a  
13 merchant-processing agreement with AzulPay.

14 52. On information and belief, Defendant Andrew Burrows-Trotman  
15 oversaw the day-to-day activities of AzulPay, acting behind the scenes as  
16 AzulPay’s Chief Executive Officer.

17 53. On information and belief, Defendants agreed and planned to  
18 initially process transactions for AzulPay’s Merchant Clients.

19 54. Because AzulPay was not a registered PSP and had no  
20 relationship with an acquiring bank, on information and belief, Defendants  
21 opened merchant accounts in certain Defendants’ names, namely Cristaudo  
22 Holdings LLC and John Does 6-10.

23 55. On information and belief, Defendant Frank Cristaudo worked  
24 with the other Defendants to open one or more merchant accounts with  
25 acquiring banks in the name of Cristaudo Holdings LLC.

26 56. On information and belief, Cristaudo Holdings LLC is not a  
27 merchant that accepts credit/debit card payments, and it is not a registered  
28 PSP.



1           57. On information and belief, Defendants submitted credit/debit card  
2 transactions from AzulPay's Merchant Clients to acquiring banks while falsely  
3 representing to the acquiring banks that the transactions were those of  
4 Cristaudo Holdings LLC and John Does 6-10 instead of those of AzulPay's  
5 Merchant Clients. Thus, when the acquiring banks paid out the settled funds,  
6 the banks paid the funds to Cristaudo Holdings LLC and John Does 6-10 (and  
7 not to AzulPay's Merchant Clients).

8           58. Initially, Defendants paid the settled credit/debit card funds to  
9 AzulPay's Merchant Clients.

10           59. On information and belief, Defendants agreed and planned that  
11 once AzulPay had established the trust of AzulPay's Merchant Clients,  
12 Defendants would encourage AzulPay's Merchant Clients to increase their  
13 volume of credit/debit card transactions.

14           60. On information and belief, Defendants further agreed and planned  
15 that when AzulPay's Merchant Clients increased their volume of transactions,  
16 Defendants would steal the settled funds and AzulPay would disappear.

17 **D. Defendants' Defrauding of Plaintiff and Theft of Plaintiff's Money**

18           61. On information and belief, in or around May 2022, Defendants  
19 Fagon, AzulPay, Burrows-Trotman, and John Does 1-5 began promoting  
20 AzulPay as a PSP for merchants in high-risk industries.

21           62. On or around June 26, 2022, Plaintiff contacted AzulPay based  
22 on the recommendation of another PSP (i.e., Payzentric).

23           63. In response, AzulPay, explained to Plaintiff that AzulPay was a  
24 PSP for multiple African banks, and that AzulPay could help process  
25 credit/debit card transactions for merchants in high-risk industries.

26           64. On July 7, 2022, Plaintiff entered into a merchant processing  
27 agreement with AzulPay (the "Contract"). A copy of the Contract is attached  
28 hereto as **Exhibit A**.

1        65. The Contract provides,

2        “2069913 Ontario Inc. s [AzulPay] shall provide Credit Card  
3        processing capabilities to the Client as well as other agreed to  
4        services such as gateway services, chargeback management  
5        and any other services deemed necessary for the successful  
6        processing and operation of its online business.”

7        66. Exhibit A to the Contract sets forth the “Settlement Schedule: T+7  
8        Days.”

9        67. On information and belief, Defendants presented the Contract to  
10       Plaintiff with the intent to defraud Plaintiff and to steal Plaintiff’s money  
11       according to the conspiracy described above. Specifically, Defendants  
12       intended to lure Plaintiff into signing the Contract, then to begin processing  
13       transactions for Plaintiff, then to encourage Plaintiff to send a greater volume  
14       of transactions to AzulPay, and then to steal Plaintiff’s money.

15       68. After signing the Contract and creating an account through the  
16       AzulPay Website, Plaintiff began submitting credit/debit card transactions to  
17       AzulPay for processing and settlement.

18       69. At first, Plaintiff received the funds for the settled transactions  
19       pursuant to the Contract, though sometimes with minor delays.

20       70. However, the settled funds were often transferred to Plaintiff either  
21       through untraceable cryptocurrency or from parties other than AzulPay.

22       71. As an example, on July 18, 2022, Defendant Cristaudo Holdings  
23       LLC transferred £19,373.24 to Plaintiff’s client.

24       72. As another example, on August 3, 2022, Defendant Cristaudo  
25       Holdings LLC transferred £79,597.95 to Plaintiff’s client.

26       73. As another example, on August 8, 2022, Defendant Cristaudo  
27       Holdings LLC transferred £31,512.32 to Plaintiff’s client.

28       74. As another example, on August 10, 2022, Defendant Cristaudo

1 Holdings LLC transferred £15,383.76 to Plaintiff's client.

2 75. On information and belief, Defendant Frank Cristaudo initiated  
3 these transfers pursuant to directions received from Fagon.

4 76. There would have been no reason for Cristaudo Holdings LLC or  
5 Frank Cristaudo to transfer money to Plaintiff or Plaintiff's clients except in  
6 furtherance of their relationship with AzulPay and Fagon and as part of a  
7 conspiracy to defraud and to steal from Plaintiff.

8 77. By early October 2022, the short delays in AzulPay's settlement  
9 become longer.

10 78. By late October 2022, Plaintiff stopped receiving payments from  
11 AzulPay (or other entities on behalf of AzulPay) altogether.

12 79. On November 7, 2022, AzulPay sent a letter to Plaintiff, ostensibly  
13 from a "Taylor Givins," stating:

14 "We wanted to take the time to explain the problems we've  
15 encountered with respect to the settlements that have not been  
16 paid out to you as yet.

17  
18 For your processing in September and October we had two  
19 banks in Africa that held the funds due to fines levied on their  
20 bank both from Visa and MasterCard. This is not necessarily  
21 reflective of your volume or MIDS but it's cumulative to the BIN  
22 that you were in. Unfortunately, African banks are notoriously  
23 slow in fixing these issues and so we have not received your  
24 funds as yet.

25  
26 The banks in question are GT Bank and Wema. We pledged to  
27 start trying to settle out of our own commissions last month and  
28 then we had funds held at FTX resulting in our inability to send



1 funds to several of our merchants, agents and partners.

2  
3 Because of these obstacles, we've pledged to start settling you  
4 as of December 9th - December 13th. Starting with your most  
5 recent processing of approx \$45K. The week of December 9<sup>th</sup> we  
6 will start looking at a schedule that makes sense and can be  
7 adhered to in order to settle remaining funds.

8  
9 Looking forward to working with you to settle in full and hopefully  
10 resume business in the near future."

11 80. This letter was false. GT Bank in Nigeria continued processing  
12 payments for Plaintiff through a different PSP during this same time period  
13 and afterward.

14 81. On information and belief, Taylor Givins is a fictitious person, and  
15 no such person works for or represents AzulPay.

16 82. Plaintiff never received any further payments or communications  
17 from AzulPay.

18 83. When Plaintiff sought to contact AzulPay, it received no response.

19 84. By January 1, 2023, the AzulPay Website was gone.

20 85. In total, Defendants stole and failed to pay Plaintiff \$1,127,899.91  
21 in settled credit/debit card funds.

22 **FIRST CLAIM FOR RELIEF**

23 **(Violation of the Racketeer Influenced and Corrupt Organizations Act**  
24 **("RICO") 18 U.S.C. §§1961, et seq.)**

25 **(Against All Defendants)**

26 86. Plaintiff repeats and incorporates by reference the allegations  
27 contained in the preceding paragraphs.

28 87. Defendants are "persons" within the meaning of 18 U.S.C.

1 §1961(3).

2 88. On information and belief, Defendants formed an association-in-  
3 fact enterprise. Specifically, on information and belief, Defendants formed an  
4 enterprise when they created a framework to carry out their common  
5 purpose of defrauding AzulPay's Merchant Clients and stealing their  
6 money.

7 89. On information and belief, Defendants' enterprise was structured  
8 as follows: Defendant Fagon created the business entity AzulPay and came  
9 up with the plan to defraud AzulPay's Merchant Clients. Fagon enlisted  
10 Defendants Burrows-Trotman and John Does 1-5 to help operate AzulPay,  
11 including by falsely marketing AzulPay as a bona fide PSP for AzulPay's  
12 Merchant Clients. Fagon enlisted Defendants Frank Cristaudo, Cristaudo  
13 Holdings LLC, and John Does 6-10 to open merchant accounts with  
14 acquiring banks and to receive and pay out settled funds according to  
15 Fagon's scheme.

16 90. On information and belief, Defendants perpetrated their activities  
17 in furtherance of the conspiracy as a single unit.

18 91. Each Defendant's coordinated activities were necessary to  
19 successfully complete the fraudulent scheme and to steal money from  
20 Plaintiff and other AzulPay Merchant Clients.

21 92. Defendants and Defendants' enterprise engaged in racketeering  
22 activity in the form of wire fraud in violation of 18 U.S.C. §1343 by: a) forming  
23 a scheme to defraud, b) using the wires in furtherance of that scheme, and  
24 c) with the specific intent to defraud. Specifically, Defendants made false  
25 misrepresentations by electronic communications to Plaintiff and other  
26 AzulPay Merchant Clients, namely that AzulPay would provide credit/debit  
27 card processing services and remit settled funds to Plaintiff and other  
28 AzulPay Merchant Clients, such as Fix Idea Ltd *dba* PayAdmit ("PayAdmit").

1 Defendants' fraudulent statements were material and induced reliance by  
2 Plaintiff and other AzulPay Merchant Clients, such as PayAdmit.

3 93. Defendants and Defendants' enterprise engaged in racketeering  
4 activity in the form of financial institution fraud in violation of 18 U.S.C. §1344  
5 by obtaining money under the custody or control of a financial institution by  
6 means of false representations. Specifically, Defendants submitted  
7 credit/debit card transactions to acquiring banks (e.g., Guaranty Trust Bank  
8 Limited) while falsely representing that the transactions were those of  
9 Defendants rather than those of Plaintiff and AzulPay's other Merchant  
10 Clients, and that Defendants were entitled to the settled funds.

11 94. Defendants and Defendants' enterprise engaged in racketeering  
12 activity in the form of operating an unlicensed money transmission business  
13 in violation of 18 U.S.C. §1960. Specifically, Defendants were involved in the  
14 transportation and transmission of funds that they knew had been derived  
15 from a criminal offense.

16 95. Defendants AzulPay and Fagon engaged in at least two  
17 predicate acts in support of the enterprise's racketeering activity when they  
18 fraudulently induced Plaintiff and PayAdmit into entering into a merchant  
19 processing agreement with AzulPay with the intent to steal their money.

20 96. Defendants Burrows-Trotman and John Does 1-5 engaged in at  
21 least two predicate acts in support of the enterprise's racketeering activity  
22 when they operated AzulPay, including AzulPay's fraudulent AzulPay  
23 Website and the transmission of AzulPay Merchant Clients' transaction data  
24 to acquiring banks, with the intent to steal money (including the data of  
25 Plaintiff and PayAdmit). The conduct of Burrows-Trotman and John Does 1-  
26 5 induced Plaintiff and PayAdmit to enter into a merchant processing  
27 agreement with AzulPay and to continue processing with AzulPay.

28 97. Defendants Frank Cristaudo, Cristaudo Holdings LLC, and John



Does 6-10 engaged in at least two predicate acts in support of the enterprise's racketeering activity when they: a) submitted or caused to be submitted Plaintiff's transaction data to acquiring banks on at least two occasions in their own names rather than Plaintiff's name, b) when they received Plaintiff's settled funds from acquiring banks, and c) when they made or caused to be made at least two payments to Plaintiff's client pursuant to the Contract even though they had no relationship with Plaintiff or Plaintiff's client and were not parties to the Contract.

98. On information and belief, in engaging in this activity, each Defendant knowingly implemented the decisions of Fagon to defraud and to steal from Plaintiff and other AzulPay Merchant Clients, and each Defendant was indispensable to the achievement of the enterprise's goal.

99. Defendants' enterprise lasted from at least April 2022 through November 2022.

100. As a result of Defendants' racketeering activity, Plaintiff has suffered an injury to its business and property.

## SECOND CLAIM FOR RELIEF

### **(Fraudulent Inducement, Conspiracy to Commit Fraudulent Inducement, and Aiding and Abetting Fraudulent Inducement)** **(Against All Defendants)**

101. Plaintiff repeats and incorporates by reference the allegations contained in the preceding paragraphs.

102. On July 7, 2022, and on multiple occasions before then, AzulPay and Fagon represented that AzulPay would provide debit/credit card processing services to Plaintiff and send the settled funds to Plaintiff.

103. The representations of AzulPay and Fagon were false, in that Defendants intended to steal Plaintiff's settled funds.

104. AzulPay and Fagon knew their representations were false when

1 they made them because they intended to steal Plaintiff's settled funds at  
2 the time they made the representations.

3 105. Plaintiff relied on the representations of AzulPay and Fagon that  
4 AzulPay would process Plaintiff's credit/debit card transactions and send  
5 Plaintiff the settled funds. Plaintiff's reliance was reasonable given that  
6 AzulPay acted like other reputable PSPs, AzulPay initially provided Plaintiff  
7 with the settled funds, and other participants in the payment processing  
8 industry recommended AzulPay.

9 106. As a result of Plaintiff's reliance on AzulPay and Fagon's  
10 misrepresentations, Plaintiff entered into the Contract.

11 107. As a result of Plaintiff's reliance on AzulPay and Fagon's  
12 misrepresentations, Plaintiff was damaged.

13 108. **(Aiding and Abetting Fraudulent Inducement):** Defendants  
14 Burrows-Trotman, Frank Cristaudo, Cristaudo Holdings LLC, and John Does  
15 1-10 aided and abetted AzulPay and Fagon in fraudulently inducing Plaintiff  
16 to enter the Contract.

17 109. On information and belief, Defendants Burrows-Trotman, Frank  
18 Cristaudo, Cristaudo Holdings LLC, and John Does 1-10 knew that AzulPay  
19 and Fagon intended for Fagon and AzulPay to make the above-described  
20 false representation to Plaintiff and other AzulPay Merchant Clients to induce  
21 them into entering a debit/credit card processing relationship.

22 110. On information and belief, Defendants Burrows-Trotman, Frank  
23 Cristaudo, Cristaudo Holdings LLC, and John Does 1-10 gave substantial  
24 assistance to Fagon and AzulPay in perpetrating a scheme to defraud  
25 Plaintiff and other AzulPay Merchant Clients.

26 111. The conduct of Defendants Burrows-Trotman, Frank Cristaudo,  
27 Cristaudo Holdings LLC, and John Does 1-10 was a substantial factor in  
28 causing harm to Plaintiff and a but-for and proximate cause of Plaintiff's

1 injuries.

2 112. On information and belief, Defendants Burrows-Trotman, Frank  
3 Cristaudo, Cristaudo Holdings LLC, and John Does 1-10 had the specific  
4 intent and consciously decided to facilitate the wrongful conduct of AzulPay  
5 and Fagon, including their false representations to Plaintiff.

6 113. Even if Defendants Burrows-Trotman, Frank Cristaudo,  
7 Cristaudo Holdings LLC, and John Does 1-10 did not have knowledge of  
8 AzulPay and Fagon's wrongful conduct, they are separately responsible for  
9 and liable for the fraudulent inducement as aider and abettors because they  
10 gave AzulPay and Fagon substantial assistance in achieving the tortious  
11 result and their own conduct, separately considered, constitutes a breach of  
12 duty to Plaintiff.

13 114. **(Conspiracy to Commit Fraudulent Inducement):** On  
14 information and belief, each Defendant was part of a conspiracy to  
15 fraudulently induce Plaintiff and other AzulPay Merchant Clients to enter into  
16 a debit/credit card processing relationship with AzulPay.

17 115. On information and belief, the conspiracy was in existence at  
18 least as of April 2022 when AzulPay acquired the <azulpay.co> domain  
19 name. On information and belief, each Defendant had joined the conspiracy  
20 as of that date.

21 116. On information and belief, the conspiracy operated at a high level  
22 as follows: Defendant Fagon created the business entity AzulPay and came  
23 up with the plan to defraud AzulPay's Merchant Clients. Fagon enlisted  
24 Defendants Burrows-Trotman and John Does 1-5 to help operate AzulPay,  
25 including by falsely marketing AzulPay as a bona fide PSP for AzulPay's  
26 Merchant Clients. Fagon enlisted Defendants Frank Cristaudo, Cristaudo  
27 Holdings LLC, and John Does 6-10 to open merchant accounts with  
28 acquiring banks and to receive and pay out settled funds according to



1 Fagon's scheme. When AzulPay had developed trust with its AzulPay  
2 Merchant Clients, it stopped sending the settled funds to those AzulPay  
3 Merchant Clients, and Defendants retained the funds for themselves.

4 117. Defendants achieved the goal of the conspiracy of inducing  
5 Plaintiff to enter the Contract and stealing Plaintiff's funds.

6 118. Plaintiff was damaged as a result of the conspiratorial conduct of  
7 Defendants.

8 **THIRD CLAIM FOR RELIEF**  
9 **(Fraud, Conspiracy to Commit Fraud, & Aiding and Abetting Fraud)**  
10 **(Against All Defendants)**

11 119. Plaintiff repeats and incorporates by reference the allegations  
12 contained in the preceding paragraphs.

13 120. On July 7, 2022, and on multiple occasions before then, AzulPay  
14 and Fagon represented that AzulPay would provide debit/credit card  
15 processing services to Plaintiff and send Plaintiff the settled funds.

16 121. The representations of AzulPay and Fagon were false in that  
17 Defendants intended to steal Plaintiff's settled funds.

18 122. AzulPay and Fagon knew their representations were false when  
19 they made them because they intended to steal Plaintiff's settled funds at  
20 the time they made the representations.

21 123. Plaintiff relied on the representations of AzulPay and Fagon that  
22 AzulPay would process Plaintiff's credit/debit card transactions and send  
23 Plaintiff the settled funds. Plaintiff's reliance was reasonable given that  
24 AzulPay acted similarly to other reputable PSPs, AzulPay initially provided  
25 Plaintiff with settled funds, and other participants in the payment processing  
26 industry recommended AzulPay.

27 124. As a result of AzulPay and Fagon's misrepresentations, Plaintiff  
28 was damaged.

1           125. **(Aiding and Abetting Fraud):** Defendants Burrows-Trotman,  
2 Frank Cristaudo, Cristaudo Holdings LLC, and John Does 1-10 aided and  
3 abetted AzulPay and Fagon in their fraudulent representations to Plaintiff.

4           126. On information and belief, Defendants Burrows-Trotman, Frank  
5 Cristaudo, Cristaudo Holdings LLC, and John Does 1-10 knew that AzulPay  
6 and Fagon intended to make the above-described false representations to  
7 Plaintiff and other AzulPay Merchant Clients.

8           127. Defendants Burrows-Trotman, Frank Cristaudo, Cristaudo  
9 Holdings LLC, and John Does 1-10 gave substantial assistance to Fagon  
10 and AzulPay in perpetrating a scheme to defraud Plaintiff and other AzulPay  
11 Merchant Clients, including by falsely representing that AzulPay would  
12 provide credit/debit card processing services.

13           128. The conduct of Defendants Burrows-Trotman, Frank Cristaudo,  
14 Cristaudo Holdings LLC, and John Does 1-10 was a substantial factor in  
15 causing harm to Plaintiff and a but-for and proximate cause of Plaintiff's  
16 injuries.

17           129. On information and belief, Defendants Burrows-Trotman, Frank  
18 Cristaudo, Cristaudo Holdings LLC, and John Does 1-10 had the specific  
19 intent and consciously decided to facilitate the wrongful conduct of AzulPay  
20 and Fagon, including their false representations to Plaintiff.

21           130. Even if Defendants Burrows-Trotman, Frank Cristaudo,  
22 Cristaudo Holdings LLC, and John Does 1-10 did not have knowledge of  
23 AzulPay and Fagon's wrongful conduct, they are separately responsible for  
24 and liable for the fraudulent inducement as aider and abettors because they  
25 gave AzulPay and Fagon substantial assistance in achieving the tortious  
26 result and their own conduct, separately considered, constitutes a breach of  
27 duty to Plaintiff.

28           131. **(Conspiracy to Commit Fraud):** On information and belief,

each Defendant was part of a conspiracy to defraud Plaintiff and other AzulPay Merchant Clients.

132. On information and belief, the conspiracy was in existence at least as of April 2022 when AzulPay acquired the <azulpay.co> domain name. On information and belief, each Defendant had joined the conspiracy as of that date.

133. On information and belief, the conspiracy operated at a high level as follows: Defendant Fagon created the business entity AzulPay and came up with the plan to defraud AzulPay's Merchant Clients. Fagon enlisted Defendants Burrows-Trotman and John Does 1-5 to help operate AzulPay, including by falsely marketing AzulPay as a bona fide PSP for AzulPay's Merchant Clients. Fagon enlisted Defendants Frank Cristaudo, Cristaudo Holdings LLC, and John Does 6-10 to open merchant accounts with acquiring banks and to receive and pay out settled funds according to Fagon's scheme. When AzulPay had developed trust with its AzulPay Merchant Clients, it stopped sending the settled funds to those AzulPay Merchant Clients and Defendants retained the funds for themselves.

134. Defendants achieved the goal of the conspiracy of defrauding Plaintiff and stealing Plaintiff's funds.

135. Plaintiff was damaged as a result of the conspiratorial conduct of Defendants.

#### **FOURTH CLAIM FOR RELIEF**

#### **(Conversion, Conspiracy to Commit Conversion, & Aiding and Abetting Conversion) (Against All Defendants)**

136. Plaintiff repeats and incorporates by reference the allegations contained in the preceding paragraphs.

137. Plaintiff owns and has the right to possess \$1,127,899.91.



1 138. Plaintiff is entitled to immediate possession of these funds.

2 139. On information and belief, Defendants disposed of these funds  
3 in a manner inconsistent with Plaintiff's rights—i.e., Defendants stole the  
4 funds from Plaintiff.

5 140. On information and belief, Defendants intended to dispose of  
6 Plaintiff's funds in a manner inconsistent with Plaintiff's rights.

7 141. As a result of Defendants' conduct, Plaintiff has been damaged.

8 142. **(Aiding and Abetting Conversion):** Defendants aided and  
9 abetted one another in the conversion of Plaintiff's funds.

10 143. On information and belief, each Defendant intended to dispose  
11 of Plaintiff's funds in a manner inconsistent with Plaintiff's rights.

12 144. Each Defendant gave substantial assistance to the other  
13 Defendants in perpetrating the scheme to steal Plaintiff's funds.

14 145. Each Defendant's conduct was a substantial factor in causing  
15 harm to Plaintiff and a but-for and proximate cause of Plaintiff's injuries.

16 146. On information and belief, each Defendant had the specific intent  
17 and consciously decided to facilitate the theft of Plaintiff's funds.

18 147. Even if any Defendants did not have knowledge of the  
19 conversion of Plaintiff's funds, they are separately responsible for and liable  
20 for the conversion as aider and abettors because they gave the other  
21 Defendants substantial assistance in achieving the tortious result, and their  
22 own conduct, separately considered, constitutes a breach of a duty to  
23 Plaintiff.

24 148. **(Conspiracy to Commit Conversion):** On information and  
25 belief, each Defendant was part of a conspiracy to steal the funds of Plaintiff  
26 and other AzulPay Merchant Clients.

27 149. On information and belief, the conspiracy was in existence at  
28 least as of April 2022 when AzulPay acquired the <azulpay.co> domain

1 name. On information and belief, each Defendant had joined the conspiracy  
2 as of that date.

3 150. On information and belief, the conspiracy operated at a high level  
4 as follows: Defendant Fagon created the business entity AzulPay and came  
5 up with the plan to defraud AzulPay's Merchant Clients. Fagon enlisted  
6 Defendants Burrows-Trotman and John Does 1-5 to help operate AzulPay,  
7 including by falsely marketing AzulPay as a bona fide PSP for AzulPay's  
8 Merchant Clients. Fagon enlisted Defendants Frank Cristaudo, Cristaudo  
9 Holdings LLC, and John Does 6-10 to open merchant accounts with  
10 acquiring banks and to receive and pay out settled funds according to  
11 Fagon's scheme. When AzulPay had developed trust with its AzulPay  
12 Merchant Clients, it stopped sending the settled funds to those AzulPay  
13 Merchant Clients and Defendants retained the funds for themselves.

14 151. Defendants achieved the goal of the conspiracy of stealing  
15 Plaintiff's funds.

16 152. Plaintiff was damaged as a result of the conspiratorial conduct of  
17 Defendants in stealing Plaintiff's funds.

## 18 **FIFTH CLAIM FOR RELIEF**

### 19 **(Breach of Contract)**

### 20 **(Against AzulPay)**

21 153. Plaintiff repeats and incorporates by reference the allegations  
22 contained in the preceding paragraphs.

23 154. On July 7, 2022, Plaintiff entered into a written Contract with  
24 AzulPay.

25 155. Under the Contract, AzulPay agreed to process credit/debit card  
26 transactions for Plaintiff and to send Plaintiff the settled funds.

27 156. Plaintiff performed under the Contract.

28 157. AzulPay breached the Contract when it did not send settled funds

1 to Plaintiff.

2 158. As a result of AzulPay's breaches, Plaintiff has been damaged,  
3 including the loss of the settled funds to which Plaintiff is entitled.

4 **SIXTH CLAIM FOR RELIEF**

5 **(Intentional Interference with Contractual Relations, Aiding and**  
6 **Abetting Intentional Interference with Contractual Relations, &**  
7 **Conspiracy to Interfere with Contractual Relations)**  
8 **(Against Defendants Fagon, Burrows-Trotman, Frank Cristaudo,**  
9 **Cristaudo Holdings LLC, and John Does 1-10 )**

10 156. Plaintiff repeats and incorporates by reference the allegations  
11 contained in the preceding paragraphs.

12 157. On July 7, 2022, Plaintiff entered into a written Contract with  
13 AzulPay.

14 158. On information and belief, Defendants Fagon, Burrows-Trotman,  
15 Frank Cristaudo, Cristaudo Holdings LLC, and John Does 1-10 knew about  
16 the Contract.

17 159. On information and belief, Defendants Fagon, Burrows-Trotman,  
18 Frank Cristaudo, Cristaudo Holdings LLC, and John Does 1-10 engaged in  
19 intentional acts designed to induce a breach or disruption of the Contract.

20 160. Specifically, on information and belief, Defendants Fagon,  
21 Burrows-Trotman, Frank Cristaudo, Cristaudo Holdings LLC, and John Does  
22 1-10 engaged in conduct to lure Plaintiff into entering into the Contract and  
23 then to increase the volume of Plaintiff's credit/debit card transactions  
24 submitted to AzulPay. Defendants then stole Plaintiff's settled funds, causing  
25 AzulPay to breach the Contract.

26 161. As a result of the conduct of Defendants Fagon, Burrows-  
27 Trotman, Frank Cristaudo, Cristaudo Holdings LLC, and John Does 1-10,  
28 AzulPay breached its Contract with Plaintiff by not paying Plaintiff the settled

1 funds.

2 162. As a result of AzulPay's breaches of the Contract, Plaintiff has  
3 been damaged, including the loss of the settled funds to which Plaintiff is  
4 entitled.

5 159. **(Aiding and Abetting Interference with Contractual**  
6 **Relations):** Defendants Fagon, Burrows-Trotman, Frank Cristaudo,  
7 Cristaudo Holdings LLC, and John Does 1-10 aided and abetted each other  
8 in their scheme to cause AzulPay to breach the Contract by not paying  
9 settled funds to Plaintiff.

10 160. On information and belief, Defendants Fagon, Burrows-Trotman,  
11 Frank Cristaudo, Cristaudo Holdings LLC, and John Does 1-10 intended to  
12 work with each other to steal money from Plaintiff and thereby cause AzulPay  
13 to breach the Contract.

14 161. Defendants Fagon, Burrows-Trotman, Frank Cristaudo,  
15 Cristaudo Holdings LLC, and John Does 1-10 gave substantial assistance to  
16 each other in perpetrating the scheme to steal Plaintiff's funds and thereby  
17 cause AzulPay to breach the Contract.

18 162. The conduct of Fagon, Burrows-Trotman, Frank Cristaudo,  
19 Cristaudo Holdings LLC, and John Does 1-10 was a substantial factor in  
20 causing harm to Plaintiff and a but-for and proximate cause of Plaintiff's  
21 injuries.

22 163. On information and belief, Defendants Fagon, Burrows-Trotman,  
23 Frank Cristaudo, Cristaudo Holdings LLC, and John Does 1-10 had the  
24 specific intent and consciously decided to steal Plaintiff's funds and thereby  
25 cause AzulPay to breach the Contract.

26 164. Even if Defendants Fagon, Burrows-Trotman, Frank Cristaudo,  
27 Cristaudo Holdings LLC, and John Does 1-10 did not have knowledge of the  
28 other Defendants' wrongful conduct, they are separately responsible for and



1 liable for the interference with the Contract as aider and abettors because  
2 they gave each other substantial assistance in achieving the tortious result  
3 and their own conduct, separately considered, constitutes a breach of duty  
4 to Plaintiff.

5       **165. (Conspiracy to Interfere with Contractual Relations):** On  
6 information and belief, Defendants Fagon, Burrows-Trotman, Frank  
7 Cristaudo, Cristaudo Holdings LLC, and John Does 1-10 were part of a  
8 conspiracy to cause AzulPay to breach the Contract by not paying settled  
9 funds to Plaintiff.

10       166. On information and belief, the conspiracy was in existence at  
11 least as of April 2022 when AzulPay acquired the <azulpay.co> domain  
12 name. On information and belief, each Defendant had joined the conspiracy  
13 as of that date.

14       167. On information and belief, the conspiracy operated at a high level  
15 as follows: Defendant Fagon created the business entity AzulPay and came  
16 up with the plan to defraud AzulPay's Merchant Clients. Fagon enlisted  
17 Defendants Burrows-Trotman and John Does 1-5 to help operate AzulPay,  
18 including by falsely marketing AzulPay as a bona fide PSP for AzulPay's  
19 Merchant Clients. Fagon enlisted Defendants Frank Cristaudo, Cristaudo  
20 Holdings LLC, and John Does 6-10 to open merchant accounts with  
21 acquiring banks and to receive and pay out settled funds according to  
22 Fagon's scheme. When AzulPay had developed trust with its AzulPay  
23 Merchant Clients, it stopped sending the settled funds to those AzulPay  
24 Merchant Clients and Defendants retained the funds for themselves.

25       168. Defendants Fagon, Burrows-Trotman, Frank Cristaudo,  
26 Cristaudo Holdings LLC, and John Does 1-10 achieved the goal of the  
27 conspiracy of causing AzulPay to breach the Contract by not paying settled  
28 funds to Plaintiff.

1 169. Plaintiff was damaged as a result of the conspiratorial conduct of  
2 Defendants Fagon, Burrows-Trotman, Frank Cristaudo, Cristaudo Holdings  
3 LLC, and John Does 1-10.

4 **SEVENTH CLAIM FOR RELIEF**

5 **(Violation of California Penal Code §496, Aiding and Abetting**  
6 **Violations of California Penal Code §496, & Conspiracy to Violate**  
7 **California Penal Code §496)**  
8 **(Against All Defendants)**

9 170. Plaintiff repeats and incorporates by reference the allegations  
10 contained in the preceding paragraphs.

11 171. On information and belief, Defendants received Plaintiff's stolen  
12 funds knowing the funds had been stolen in violation of California Penal  
13 Code §496.

14 172. As a result of Defendants' violation of California Penal Code  
15 §496, Plaintiff has been harmed.

16 173. **(Aiding and Abetting Violation of California Penal Code**  
17 **§496):** Defendants aided and abetted each other in their scheme to steal  
18 money from Plaintiff.

19 174. On information and belief, Defendants intended to work with  
20 each other to steal money from Plaintiff.

21 175. Defendants gave substantial assistance to each other in  
22 perpetrating the scheme to steal Plaintiff's funds.

23 176. Defendants' conduct was a substantial factor in causing harm to  
24 Plaintiff and a but-for and proximate cause of Plaintiff's injuries.

25 177. On information and belief, Defendants had the specific intent and  
26 consciously decided to facilitate the theft of Plaintiff's funds.

27 178. Even if any Defendant did not have knowledge of the other  
28 Defendants' wrongful conduct, they are separately responsible for and liable



1 for violations of California Penal Code §496 as aider and abettors because  
2 they gave the other Defendants substantial assistance in achieving the  
3 unlawful result, and their own conduct, separately considered, constitutes a  
4 breach of duty to Plaintiff.

5 **179. (Conspiracy to Violate California Penal Code §496):**  
6 Defendants were part of a conspiracy to defraud Plaintiff and other AzulPay  
7 Merchant Clients and to steal their money.

8 **180.** On information and belief, the conspiracy was in existence at  
9 least as of April 2022 when AzulPay acquired the <azulpay.co> domain  
10 name. On information and belief, each Defendant had joined the conspiracy  
11 as of that date.

12 **181.** On information and belief, the conspiracy operated at a high level  
13 as follows: Defendant Fagon created the business entity AzulPay and came  
14 up with the plan to defraud AzulPay's Merchant Clients. Fagon enlisted  
15 Defendants Burrows-Trotman and John Does 1-5 to help operate AzulPay,  
16 including by falsely marketing AzulPay as a bona fide PSP for AzulPay's  
17 Merchant Clients. Fagon enlisted Defendants Frank Cristaudo, Cristaudo  
18 Holdings LLC, and John Does 6-10 to open merchant accounts with  
19 acquiring banks and to receive and pay out settled funds according to  
20 Fagon's scheme. When AzulPay had developed trust with its AzulPay  
21 Merchant Clients, it stopped sending the settled funds to those AzulPay  
22 Merchant Clients and Defendants retained the funds for themselves.

23 **182.** Defendants achieved the goal of the conspiracy of stealing  
24 Plaintiff's funds.

25 **183.** Plaintiff was damaged as a result of Defendants' conspiratorial  
26 conduct.

27 //

28 **EIGHTH CLAIM FOR RELIEF**

**(Money Had and Received)****(Against All Defendants)**

184. Plaintiff repeats and incorporates by reference the allegations contained in the preceding paragraphs.

185. Defendants received Plaintiff's stolen funds knowing the funds had been stolen in violation of California Penal Code §496.

186. The money received by Defendants belonged to Plaintiff and was for Plaintiff's use.

187. As a result of Defendants' conduct, Defendants are indebted to Plaintiff in the amount of \$1,127,899.91.

**NINTH CLAIM FOR RELIEF****(False Advertising Under the Lanham Act, 15 U.S.C. §1125(a))****(Against Defendant AzulPay)**

188. Plaintiff repeats and incorporates by reference the allegations contained in the preceding paragraphs.

189. While Plaintiff was AzulPay's client, Plaintiff and AzulPay also competed with each other in providing credit/debit card processing solutions to merchants in high-risk industries.

190. AzulPay made false statements of fact in a commercial advertisement about its credit/debit card processing services. Specifically, AzulPay stated on its AzulPay Website that it provided legitimate credit/debit card processing services for its clients.

191. AzulPay's statements on its AzulPay Website were literally false in that AzulPay did not provide legitimate credit/debit card processing services. Rather, AzulPay was part of a conspiracy to defraud AzulPay's Merchant Clients and to steal their money.

192. AzulPay's statements on its AzulPay Website actually deceived Plaintiff and other credit/debit card service providers, including but not limited

1 to PayAdmit.

2 193. AzulPay's statements on its AzulPay Website were material in  
3 that they were likely to influence merchants and merchant service providers  
4 into working with AzulPay.

5 194. AzulPay caused its false representations to enter into interstate  
6 commerce by publishing them on the internet and then contracting with  
7 AzulPay Merchant Clients throughout the world.

8 195. As a result of AzulPay's false advertisements, merchants  
9 operating in high-risk industries chose to work with AzulPay rather than  
10 Plaintiff as an entity that would connect merchants to PSPs.

11 196. As a result of AzulPay's false representations, Plaintiff was  
12 harmed.

### 13 PRAYER FOR RELIEF

14 WHEREFORE, Plaintiff Pan Digital Network Limited respectfully  
15 requests that the Court enter judgment in its favor and against all Defendants  
16 and award the following relief to Plaintiff and against Defendants:

17 1. An award of damages to Plaintiff and against Defendant in an  
18 amount to be proved at trial, comprising the following:

- 19 a. Compensatory damages under California law, including  
20 California Civil Code §3281;
- 21 b. Punitive damages pursuant to California Civil Code §3294;
- 22 c. Restitution and/or other equitable relief, including without  
23 limitation disgorgement of all revenues, profits, and unjust  
24 enrichment that Defendants obtained from Plaintiff;
- 25 d. For damages of three times the damages Plaintiff has  
26 sustained, plus the cost of this suit, including reasonable  
27 attorneys' fees pursuant to 18 U.S.C. §1964(c) and (d);
- 28 e. Plaintiff's costs of suit;



- 1 f. Pre-judgment interest to the extent allowed by law; and  
2 2. Such other and additional relief as the Court deems just and  
3 proper.  
4

5 Respectfully Submitted,

6 DATED: January 25, 2023

**KRONENBERGER ROSENFELD, LLP**

7  
8 By: s/ Karl S. Kronenberger  
9 Karl S. Kronenberger

10 Attorneys for Plaintiff Pan Digital  
11 Network Limited  
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**JURY TRIAL DEMANDED**

Plaintiff Pan Digital Network Limited Institute hereby demands a trial by jury on all issues so triable.

Respectfully Submitted,

DATED: January 25, 2023

**KRONENBERGER ROSENFELD, LLP**

By: s/ Karl S. Kronenberger  
Karl S. Kronenberger

Attorneys for Plaintiff Pan Digital  
Network Limited

**KRONENBERGER ROSENFELD**

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